

1 A I believe that at that time we were only at one
2 bid a day, and I think it was 9:30. In the east coast it
3 was 10 a.m., East Coast Time, or, no, a little later than
4 that 'cause see you -- I think it was 10 or 11 East Coast
5 Time, and then we had the withdraw period between 2 and 2:30
6 in the afternoon.

7 And the reason I can recollect very well is
8 because since I took over, since round 12, then we moved to
9 three, four, or five rounds and, you know, towards the last
10 month of April and May, I remember having to get there at
11 6:00 in the morning to be able to be all these rounds.

12 Q No, I understand. I was just saying if you did
13 recall what time the bids had to be submitted. That's fine.

14 Okay, on January 23rd when Mr. Easton did call
15 you, how long of a phone call was that?

16 A It was maybe five minutes.

17 Q And can you recall with some specifics of what he
18 said to you?

19 A He said that -- that an apparent mistake had been
20 shown up at the FCC server, a mistake on the FCC side. I
21 said, you know, I'm going to be getting calls from the
22 press. And he said, yes, you should. Well, what is the
23 company's position at this point? Well, what did happen?
24 He said it was -- you say it was on the FCC side.

25 I questioned how could that have happened, and he

1 said something about the server and giving some sort of
2 technical explanation that I could not repeat because I did
3 not understand, and to this day I won't believe it, now
4 definitely believe that explanation. And that was about it.
5 And, well, I was more interested in saying, well, let me see
6 what was submitted. And he faxed it to me. And he said he
7 had already called the FCC and that he was talking to
8 Wilkinson Barker, and Mike Sullivan at that point.
9 Wilkinson Barker.

10 Q And at this time did you know whether or not Mr.
11 Easton had any type of technical background where he would
12 understand computers?

13 A Oh, yeah. I know that his background. He's an
14 engineer. He's an electrical engineer from school that is
15 right here in Maryland. What's the name of the school?
16 It's a good school. One of the -- I don't know if it's
17 necessary, I do -- I know that he has also an MBA. I'm
18 sorry. A Master's in telecommunications.

19 Q So at first you accepted his technical
20 explanation. Even if you didn't understand it, you accepted
21 it because you knew he had a technical background?

22 A Exactly. I have to say he was also a professor,
23 you know, in engineering, and, yeah, he explained in very
24 complex ways. He did it more than once, none of which I
25 understood.

1 Q But he specifically did tell you that the mistake
2 was on the FCC side?

3 A Those were his words.

4 Q What was his demeanor when you were speaking to
5 him, if you could tell over the phone? Was he agitated?
6 Was he calm? Was he angry?

7 A I would say agitated. I would say breathing, I
8 don't want to say hyperventilating because it sounds more --
9 basically like someone that ran up the stairs and answer the
10 phone. That's the best I can explain it, the best way I can
11 describe it.

12 Q And at the time he spoke to you he had already
13 called the FCC and he had already called Mike Sullivan?

14 A I believe, yes.

15 Q Do you know if he had already spoken to Mr. Breen?

16 A No, I wouldn't know.

17 Q He didn't say anything about Mr. Breen?

18 A No, he didn't mention Mr. Breen.

19 Q At this time, on January 23rd, were you aware that
20 before bids were submitted to the Commission that he would
21 initial and put a time and date on a computer printout of
22 the proposed bids and they would be cross checked with what
23 was going to be submitted to the Commission?

24 A No, frankly, no. What I got and that he told me
25 he faxed to the FCC to me was just trying to evidence that

1 A No, I didn't have -- I thought it was a very good
2 procedure, and, frankly, I assume it was parts of Romulus,
3 you know, that we were paying this flat fee for, to come up
4 with implementation way, some, some way, some procedure that
5 errors will not occur.

6 Q And Mr. Easton did fax -- Mr. Easton did fax
7 something to you on the 23rd?

8 A Yes.

9 Q Did that show an \$18 million bid for Norfolk or
10 did it show a \$180 million bid?

11 A It showed an \$18,060,000 bid for the Norfolk,
12 Virginia market.

13 Q And did that have a -- what was sent to you have
14 Mr. Easton's initials and a date and time on it?

15 A Yes.

16 Q What did you do after this phone call ended?

17 A Okay, after that phone call ended I immediately,
18 well, at that time it was Mr. Richard Reiss, because I
19 couldn't find Mr. Fred Martinez, who was in the -- he was in
20 a meeting outside the office.

21 Now, remember, it's 5:00 now, so the only one I
22 could get a hold of was Richard Reiss. I remember talking
23 to Terry again that night, but I don't remember what we were
24 talking about other than -- no, it was just more of the same
25 stuff.

1 Q But you did speak to Mr. Easton again on the 23rd?

2 A Yes, at 8:00 at night, or around 8:30 because it
3 was on my cellular, and I remember the call. He called me.
4 And basically what we were talking about was the whole thing
5 and, gee, how can they charge us with such a big fee or
6 penalty. It was just a mistake. That's what's in my mind
7 when we talked a little bit, and nothing significant.

8 However, the next morning, at 9:00 in the morning,
9 I met with Fred Martinez, and Mr. Richard Reiss and Mr.
10 Larry Odell. Their offices are across from mine at that
11 moment, and we immediately called -- I'm not sure who we
12 talked to. I think we talked to counsel, to Wilkinson
13 Barker at that time, Mike Sullivan and Larry Moushin, and
14 asking, you know, what could it be.

15 We also talked to Terry for a better explanation,
16 when actually the explanation, I won't say it didn't satisfy
17 us, I have to say we didn't understand it, and we asked for
18 a written memo, tell us in a written memo what is it, what
19 happened yesterday.

20 And I haven't seen that memo in a long time, but
21 it was a two page memo that he produced pretty quickly
22 actually. Notwithstanding that saying we called for an
23 emergency board of directors' meeting that same Saturday. I
24 mean, this was Tuesday. We had a board of directors meeting
25 the following Saturday.

1 MR. WEBER: Just, I guess, Ty, do you know if that
2 memo was part of the independent counsel report?

3 MR. BROWN: It is. It's an appendix.

4 MR. WEBER: Right, I was making sure we had seen
5 it.

6 MR. BROWN: Yes.

7 BY MR. WEBER:

8 Q When you spoke to Mr. Easton the second time on
9 the 23rd around 8 or 8:30 that evening, how long of a phone
10 conversation was that one?

11 A Ten minutes. It was on my cell; maybe less.

12 Q Was it you or Mr. Easton that raised the topic of
13 the Commission's bid withdrawal payment?

14 You said that there was a conversation about how
15 can the Commission charge this?

16 A Yeah. No, I cannot tell you. I don't know if it
17 was he or it was me. I think maybe it was me.

18 Q Did Mr. Easton at this point still state it was
19 the Commission's fault or did he state it was a mistake on
20 the side of -- one of his mistake on the side of Romulus?

21 A No, at that time he was still thinking or alleging
22 that it was on the FCC side. I think that conversation was
23 more of what are we going to do if we get this big fine.

24 Q Can you recall the first time you spoke to Mr.
25 Breen regarding the overbid on January 23rd?

1 A On January 23rd, I never --

2 Q Oh, no, about the overbid.

3 A Oh, about the overbid.

4 I don't think it was until Saturday. No. Yeah.
5 We had a management meeting. I talked to Quentin Thursday
6 and Friday because we flew in and started having a
7 management meeting prior to that, I believe, yes, on Friday,
8 actually it was really focusing on marketing, and the
9 positioning of our products and that kind of stuff.

10 Q And that would have been January 26th?

11 A That would have been -- yes, yes.

12 And I guess that around there we must have
13 mentioned, because at the same time we were working on our
14 waiver request. So that would be -- that would be my
15 recollection on the first day that we -- that we -- I don't
16 remember specifically but I'm pretty sure. I mean, that
17 was the only thing we talked about for four months.

18 Q On the 24th, when you were speaking to counsel,
19 was there ever -- and with Mr. Martinez and Mr. Reiss, et
20 al., was there every any type of conference call where Mr.
21 Easton was on a call the same time that counsel was on the
22 call?

23 A Probably, yes. Yes.

24 Q You don't recall specifically?

25 A I don't recall specifically. I remember having

1 conversations aside without Mr. Easton, but having them also
2 with Mr. Easton.

3 Q Did Mr. Easton say anything different about how
4 the mistake occurred on the 24th from what he told you on
5 the 23rd?

6 A No, actually I think that the memo and what he
7 told me was pretty much consistent at that point.

8 Q And that was still that the mistake occurred on
9 the FCC side?

10 A Yeah, but it gets blurry at that point. Even, and
11 I wish, I don't know if it's proper for me to refresh my
12 memory by looking at that memo if you want me to, but I
13 think it gets blurry at that point of whose mistake was it.

14 Q All right, we can probably get back to that. I
15 will bring down a copy of the memo for you.

16 Now, on January 26th, were you in San Mateo?

17 A Yes, I was.

18 Q And this was a PCS 2000 board of directors meeting
19 of some type?

20 A On the 27th, Saturday.

21 Yes, Unicom as general partner of PCS 2000,
22 Unicom.

23 Q Was there a meeting of the Unicom officials in the
24 San Mateo Group offices on January 26th?

25 A Yes.

1 Q And was Mr. Breen present --

2 A Yes.

3 Q -- at that meeting?

4 A Yes.

5 Q Can you recall if there was a time where Mr. Breen
6 left the meeting for a period of time?

7 A Mr. Breen?

8 Q Mr. Breen.

9 A A few times, in and out. He smokes, and you
10 cannot smoke in the building.

11 Q Can you recall if there was a time -- on January
12 26th, did you know Cynthia Hamilton?

13 A I had met her a few times before briefly.

14 Q Did you ever see Mr. Breen leave the meeting on
15 the 26th to go speak to Ms. Hamilton?

16 A No. I saw Ms. Hamilton on the way out. The way I
17 was sitting in the -- I was having a very strong discussion,
18 as a matter of fact, heated discussion to a certain point,
19 over business not related to the -- and I did not see Ms.
20 Hamilton until she was actually on her way out. It's a
21 glass conference room. I remember I was sitting -- I would
22 be on this side, Mr. Breen was across from me, Mr. Richard
23 Reiss was on my left, and Mr. Breen sit there, and I think
24 there was someone else, maybe Eric Spackey, he was there
25 too. He is one of our team members on the management. And

1 I didn't see her coming in. I saw her coming out with a
2 friend, an African-American girl, whom I had never seen
3 before.

4 Q At any point on the 26th after Mr. Breen had left
5 and came back into the meeting, did he ever make any
6 comments about that he had heard what had caused -- that
7 maybe he had heard a different story about what had caused
8 the overbid?

9 A Mr. Breen?

10 Q Mr. Breen.

11 A No, he never made a comment.

12 Q Did Mr. Breen make any comments that you can
13 recall at all about the overbid in this January 26 meeting?

14 A No. Not that I -- January 26th? I want to make
15 sure it's a Friday. We're talking about the Friday before
16 the board meeting?

17 Q Right.

18 A No, I'm sure he didn't.

19 Q And then there was another board meeting then on
20 the 27th?

21 A That was an emergency board meeting that we had,
22 and we scheduled it for Saturday because it was the quickest
23 one we could have. We just flew in a couple day --
24 actually, I think we had already scheduled our management
25 team meeting, and we had to schedule that one and --

1 Q And -- I'm sorry. I didn't mean to interrupt.

2 A No, it's just that it's very vivid in my mind
3 because we make Mr. Larry Moushin and Mr. Frank Goldstein,
4 counsels, in a short notice, we made them fly into San Mateo
5 for that meeting.

6 Q And the reason for the emergency meeting was the
7 January 23rd overbid?

8 A Exactly.

9 Q Were both Mr. Easton and Mr. Breen present at the
10 January 27th board meeting?

11 A Yes, they were.

12 Q Did Mr. Easton make any type of presentation about
13 how he believed the overbid occurred?

14 A Yes, he did for a long time, long period of time.
15 And at that time that was when things had changed regarding
16 where the mistake could have been. And he said that,
17 although he was responsible, that the mistake had been
18 committed by Cynthia Hamilton, and that she had left that
19 day, and that she had not returned. -- I took it like she left
20 the job.

21 Q So he actually blamed Ms. Hamilton for the
22 mistake?

23 A Yes.

24 Q Did he say how she could have caused the mistake?

25 A See, Mr. Easton is -- he's not clear when he

1 explains things. He's not very -- when he explains to you
2 something, he's the kind of person that when you ask what
3 time it is, he explained to you how the watch works, and
4 forgets about telling you the time.

5 And at that time he talked about the Apollo -- how
6 he worked in Apollo 13, how -- but this is at the same time,
7 the reason I say this is I'm not trying to be funny -- is
8 that when he's explaining the technical matters he's
9 diverting in all these different ways, and how there are
10 similarities between the Apollo 13 and the actual mistake
11 bid and his responsibilities.

12 So it's very hard for me to -- I mean, after that,
13 you could have asked me this question a year ago, and I
14 think I would have answered you the same way I am answering
15 you now because I wasn't clear.

16 Q Did anybody ask him why he initially stated it was
17 the FCC's fault for the mistake?

18 A No, we didn't ask him.

19 I can tell you that personally I had already
20 discussed with him, and many other people, saying let's just
21 assume that it was the FCC's mistake. Let's just assume it
22 for momentary, and I remember arguing this before, and I'm
23 not sure when, not necessarily on Friday, how are we going
24 to blame the FCC when they had two other successful
25 auctions; one of which was \$7.1 billion in the AMB, and not

1 a single mistake occurred. And we, small C Block company,
2 are blaming the FCC for it.

3 And his response was, well, it's not even the FCC.
4 They have subcontractor on the computers, so the software's
5 done by someone else, so it's not their fault, because for
6 me, from a public relations point of view saying I don't
7 think it's right. I mean, this is people who have done
8 amazing work, and we are blaming them for one mistake that
9 maybe was on our side.

10 I mean, and I have to be candid, it was strict
11 public relations kind of thing. But I was also trying to
12 get the truth at that point.

13 Q And this conversation was somewhere between
14 January 23rd and January 27th?

15 A Yes.

16 Q And at that point was Mr. Easton maintaining that
17 it was the FCC's fault that there was a mistake?

18 A He come back and forth. It would be very hard to
19 read him especially when he's telling you all these other
20 stories, you know. But literally I will tell you he would
21 be back and forth.

22 Q Was it at least clear to you that he was not
23 taking any personal responsibility then for the mistake at
24 that point?

25 A Yes. Not until maybe that Saturday when he blamed

1 Cynthia, and disappear. I guess his management
2 responsibility was his. He did accept that.

3 Q Did he think that anything should be done to or
4 about, or done to Cynthia Hamilton because she made a
5 mistake?

6 A No.

7 Q Did he have any recommendations, what actions
8 should be taken with regard to her?

9 A No. No.

10 Q Did he say that's why she left the company,
11 because she made a mistake?

12 A He made you believe that, or he positioned it in
13 such a way that that's what you -- that made us believe
14 that. Basically that she couldn't face the responsibility
15 and therefore that she left work, you know.

16 Q At the January 27th board meeting, did Mr. Breen
17 make any statements about the mistake?

18 A Not to my recollection.

19 Q Now, there came a time when you actually spoke to
20 Ms. Hamilton about the mistake, correct?

21 A Yes.

22 Q Can you recall when that was?

23 A She called me on February 6th, I think it was.
24 I'm almost certain, the day before, day after February 6th.
25 The reason I go to that date is because I'm sure I remember

1 the date that I had to fly, the date that we retained, well,
2 basically, the Young, Vogl, Wilson firm, and I think it was
3 February 6th.

4 Q Between January 27th and February 6th, did Mr.
5 Breen ever make any statements to you about the mistake?

6 A Certainly not.

7 Q Now, Ms. Hamilton was the one who initiated the
8 call? She called you?

9 A She called me at my office.

10 Q And can you recall what she told you?

11 A She said, "Javier, you're moving fast, but you
12 don't have -- Price Waterhouse is not getting the whole
13 story. And as we speak Terry is erasing files."

14 That's what I -- although the conversation was
15 awfully short, it seemed awfully long now when I recall it.
16 And she said, and I asked her, "What do you mean?"

17 And she said, "Well, Price Waterhouse is there.
18 You sent Price Waterhouse to investigate the proceedings,
19 but Terry is lying to Price Waterhouse, and he's erasing
20 files as we speak, and that's not what happened that day."

21 And I said, "What happened that day?"

22 "Well, Terry actually did not check, and was too,"
23 I believe these are her words, "arrogant to do it the night
24 before and to double check the Control P that was submitted.
25 He didn't -- not until he realized the mistake when it was

1 too late, he then created a new Control P, or a new Screen
2 Preview, which is the one that you have, and you have seen.
3 But I have the original one because I took it out of the
4 trash can when I realized that he wanted to blame me for it.
5 And I realize that he made me call the FCC, and I dialed it
6 for him, and those calls are recorded, and he was blaming
7 the FCC and telling them there was a power surge, and none
8 of that is true, Javier."

9 And I asked her -- and then she told me, "And the
10 FCC knows this. I -- I filed before the FCC, and I prepared
11 an affidavit."

12 And I remember mentioning the name Bill Kennard.
13 That was her contact. I don't know if I asked her or she
14 told me.

15 Immediately I asked her if she will be so kind to
16 fax the affidavit and the actual Control P that I had. I
17 was more interested in the fax itself, in the -- not so much
18 in the affidavit, but the original of what she says was
19 filed on that day and was uploaded that day, and that has
20 his initials because that would have given me proof exactly
21 what we were looking for. It would clear everything out.

22 She said she would do it. She didn't have a fax
23 in her home, but she had to go to Kinko's. I said,
24 "Perfect." You know, it will take her five minutes to go to
25 Kinko's. I said, "Perfect. Don't fax it here to my office.

1 Fax it to Mr. Martinez office. I'm going to be over there."

2 I hang up with her. I call Mr. Martinez. I
3 didn't even give an explanation, "Fred, I need to talk to
4 you, and please call Larry and Richard." They were all in
5 the same building, and we got together in probably eight
6 minutes.

7 Literally as I was, and I was hyperventilating
8 that moment to Fred Martinez's office, 30 seconds later we
9 got the fax from -- from Cynthia. And it was exactly what
10 she had said, what she had told me over the phone.

11 I can continue to tell you what happened that day.

12 Q No. I mean, yes, we will go on to that. I want
13 to go back for a moment.

14 You talked about she was saying Terry was lying to
15 Price Waterhouse. What was Price Waterhouse doing at that
16 point?

17 A In the -- in the January 27 meeting, and after
18 listening to Terry's explanations, the board of directors
19 decided that we needed, let's get a third party to see what
20 happened, what really happened, and make sure that it won't
21 happen again. We really -- make sure it won't happen again.

22 I suggested Price Waterhouse because they were our
23 auditors and it could be done quickly. And we all agreed.
24 And it took some time, you know, to locate the right person
25 within Price Waterhouse. You know, we talked to the Price

1 Waterhouse Puerto Rico partners, and they located this
2 person, and that we needed it, we needed it to be from the
3 west coast, and I think this person was out of L.A. or San
4 Diego, one of the two offices. I'm not sure.

5 And they were going an investigation on the
6 procedures. And we retained them for that purpose. So this
7 was the 27th.

8 Early the week -- the same week of the 6th, you
9 know, she called me like a day after Price Waterhouse had
10 been there.

11 Q And it was your suggestion to retain Price
12 Waterhouse?

13 A I didn't come up with the idea of getting some
14 third party. I remember talking about Price Waterhouse.

15 Q Do you recall whose idea it was to get a third
16 party?

17 A In the midst of it, it could have been Mr. Fred
18 Martinez or Mr. Terry Easton himself. And somehow I feel
19 that Terry participated -- well, he talked most of the time.
20 I wouldn't doubt if he -- it was a joint thing. I'm not
21 sure. If we look back to the minutes, we will probably find
22 who was the motion, and who seconded it, or if it was
23 necessary a motion. Maybe we didn't need a motion for that
24 part.

25 Q On the 6th, when you were speaking with Ms.

1 Hamilton, did you ever mention to her that Mr. Easton said,
2 you know, "Cynthia, Terry says it's your fault," anything
3 like that?

4 A I didn't have to say that, no. I think she was
5 pretty much aware of that. I didn't talk very much. I
6 remember only asking her, "Why do you come to me now? I
7 wished you had come before." And I'll never forget, she
8 said, "Well, Javier, I wasn't sure on what side you were
9 on." And I was so upset. But, I mean, I wasn't upset with
10 her at that moment. I had not reason to be upset at her.

11 That's actually how we ended the conversation, I'm
12 pretty sure.

13 Q Now, after -- now, how long did that phone
14 conversation last?

15 A It must have been five minutes. I'm pretty sure
16 it was four or five minutes.

17 Q After you got the fax from her, did you call her
18 back that day?

19 A I don't recall having to call her back. I think
20 it was -- the documents that she sent me were pretty -- I
21 think I called her back to thank her. But I'm not sure if
22 it was that same evening. I don't think so because we had
23 too many things going on.

24 Q Did you speak to Mr. Easton that day?

25 A Yes.

1 Q Can you -- did you call him?

2 A Yes.

3 Q Can you tell me about that phone call?

4 A We -- it was from Fred Martinez office, and it was
5 Fred Martinez, he -- we said we had a fax that we want you
6 to take a look at, I think, and then we want to talk to you.
7 And he waited on hold, and Mr. Breen was in that
8 conversation too.

9 And I am not sure if -- I think in that phone call
10 when we initiated it -- no, we did one first to tell him we
11 were going to have a conference call in 10 minutes. We need
12 to have a conference call, and by the way, Mr. Frank
13 Goldstein and Larry Moushin are going to be in that call.

14 And then, you know, five minutes -- we had faxed
15 it, and five minutes later we were having that conference
16 call. And basically Larry Moushin, especially Larry
17 Moushin, I recall, he was very good at examining or cross-
18 examining at that point what he had told us vis-a-vis what
19 we had in our hands at that point. And Frank Goldstein
20 participated in that conversation too.

21 But basically that was a confrontation saying you
22 had been telling us all this other stuff, and we have these
23 documents. And we asked him to take a leave of absence at
24 that point.

25 Q And Mr. Easton was sent a copy of Cynthia

1 Hamilton's declaration at that point?

2 A Yes. And he tried to, you know -- I'm not sure
3 what the English word is -- when, you know, trying to find
4 false statements or inconsistencies within the affidavit,
5 and he didn't convince anyone.

6 Q And Larry Moushin at that point, he was here in
7 Washington, correct?

8 A Larry Moushin was in Washington, and so was Mr.
9 Frank Goldstein.

10 Q And Mr. Breen and Mr. Easton were in California?

11 A In San Mateo, and Mr. Richard Reiss, Fred
12 Martinez, Larry Odell and myself were in San Juan.

13 Q What did Mr. Breen have to say about Cynthia
14 Hamilton's declaration?

15 A Mr. Breen?

16 Q Yes.

17 A He was very quiet. He didn't say a word. In that
18 conference, he didn't say a word; not that I recall.

19 Q Can you recall if Mr. Breen at any point ever said
20 to you that he had heard from either Cynthia Hamilton or
21 Ronit Milstein that Mr. Easton was fabricating what had
22 happened?

23 A Definitely not. Definitely, no. I never heard, I
24 mean not prior to February 6th.

25 Q Did you hear after February 6th from Mr. Breen

1 (Whereupon, a recess was taken.)

2 MR. WEBER: Back on the record.

3 BY MR. WEBER:

4 Q We were discussing the erasing of files before we
5 went off the record.

6 Did Ms. Hamilton state to you why she suspected or
7 how she knew Mr. Easton was erasing files?

8 A Yes. Someone from in the San Mateo office was
9 telling her. She was being -- she didn't say who.

10 Q Did you ever at any point discuss with Mr. Easton
11 the erasing of files?

12 A No. I -- I, however, I directed Mr. Wilson and
13 Leon Bloomfield, and explained that I was informed that they
14 were doing that.

15 Q And that's the independent counsel report,
16 correct?

17 A Yes. Yes, the people who did the independent
18 counsel report.

19 Q Was it after you received Ms. Hamilton's
20 declaration that you decided to retain independent counsel?

21 A Yes. They actually in that same teleconference
22 that I talked to you about -- I guess we had another
23 teleconference after we talked to Terry and asked him to
24 take a leave of absence. And then we -- we had another
25 conference call, and I remember discussing who that counsel

1 that I don't think he thought it was necessary, because he
2 was reluctant to take a leave of absence. So it was the
3 same thing regarding legal counsel.

4 But I don't remember any specific that he would
5 say, "No, we don't need it," or it's just a general feeling
6 that I have of that conversation.

7 Q Do you recall if Mr. Breen had any comment about
8 independent counsel?

9 A None. Not against it; not in favor of it. None.
10 He didn't talk very much during those meetings.

11 Q Did you give the independent counsel a deadline by
12 which you wanted a report?

13 A No. We explained to them that we needed it fast.
14 We -- we needed -- the faster the better, the quicker the
15 best. Those were the instructions.

16 Q Now, did you state before the last time you have
17 spoken to Mr. Easton was February 19th?

18 A Last time I have seen, yeah. That I talked and I
19 have seen Mr. Easton, I can assure you was February 19th.
20 Since then I have not seen him, not talked to him.

21 Q You have had more regular contact with Mr. Breen
22 than that, correct?

23 A I had more contact with Mr. Breen until the end of
24 the auction because I needed -- we need Breen there cause he
25 knew all the ins and outs of the auction software and how it

1 mentioned that to me. And the reason -- now I remember.
2 The reason that I would talk to her was we were coordinating
3 when the independent counsel could interview her. That was
4 the nature of our talks.

5 Q Did there come a time where you learned that Ms.
6 Milstein had told Mr. Breen what Mr. Easton may have been
7 doing?

8 A No. And I had contact with her, but we -- she
9 actually, Ms. Milstein became what Cynthia was doing, keying
10 in the computer. But never, no. I think I was -- to me the
11 first time was what I read in the independent counsel's
12 report.

13 Q Did you ever talk to Mr. Breen about what --
14 strike that.

15 After you had learned from Ms. Hamilton that she
16 had talked to Mr. Breen, did you ever talk to Mr. Breen
17 about that?

18 A I recall a conversation in which Ms. Milstein and
19 Mr. Breen were present. I think it was around on the
20 preparation of the independent counsel's report and
21 everything that is coming out. I'm just mind bundled,
22 dumbfounded. I'm -- I mean, can you -- and I'm having a
23 casual conversation after, you know, another day ended, four
24 rounds went by, everything is fine. And now we just have to
25 look for -- and we're waiting for the results to see what we

1 got, who else -- you know, is anyone taking our markets, how
2 it's going.

3 And I remember asking why would he do this? I
4 mean, it was so simply. Why did he -- I like to use an
5 analogy, you know, why try to throw the crumbs of the
6 cookies under the carpet. I mean, we are all grown ups.

7 And I remember very clearly Quentin's, with Mrs.
8 Milstein, it was in the small office, saying, "For too long
9 we have been looking the other way at things that Terry has
10 been doing. For too long we have been -- we have been
11 looking the other way." But that's the only conversation we
12 ever had.

13 Q And this was done prior to the -- I mean, this
14 conversation was prior to the completion --

15 A Exactly.

16 Q -- of the independent counsel report?

17 A Yes.

18 Q But after --

19 A It was in the midst of the --

20 Q But after February 6th?

21 A Yes.

22 Q So it was somewhere in that time frame?

23 A Yeah.

24 Actually, I think that Mr. Breen had just been
25 interviewed when we had that conversation. And, of course,